



# The Confusing World of DoD & DON IT Portfolio Management (PfM)

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# Purpose

- To provide an overview of IT PfM activities currently underway within the DoD and DON
- Identify overlaps between the different IT PfM initiatives



# DON PfM Initiatives

- Functional Area Managers (FAM)
- FORCEnet C4I Virtual Syscom L1 – L4 Boards
- Others ?



# DoD PfM Initiatives

- Draft DoD Instruction 8115.aa
- DoD BMMP and National Defense Authorization Act (NDAA) certification requirements
- DoD IT Registry
- Draft Warfighting Mission Area IT Portfolio Management Implementation Plan



# DON PfM - FAM

- Chartered by the Under Secretary of the Navy
  - Responsible and accountable for overseeing reduction and consolidation of IT applications and databases
  - Have authority to direct migration, consolidation, or retirement of applications and databases
  - Develop and manage IT applications and database portfolios
  - Ensure technology strategies are aligned with business and administration process and warfighting strategies
- Original focus
  - Reduction, consolidation, and disposition of NMCI desktop based applications
  - Support roll-out of NMCI by reducing number of allowable applications
    - An application can not be ordered for an NMCI seat unless it is FAM Approved or Allowed With Restrictions (AWR)



## DON PfM – FAM (cont)

- Current scope
  - IT applications, systems, databases, networks, servers
- Current Navy area of focus
  - Registration of all ashore (CONUS and OCONUS) networks, servers, and applications on those servers
  - Termination of all non FAM Approved or AWR applications
- Current Marine Corps area of focus
  - Management of Marine Corps portfolio of approved applications
- Information stored in DON Applications and Database Management System (DADMS)



# DON PfM - FORCEnet C4I Virtual Syscom L1 – L4 Boards

- Currently focused on warfighting systems
  - Categorization of system into 4 categories
    - CAT1: Non-Compliant (Retire)
    - CAT2: Legacy Sustained (Retain)
    - CAT3: Legacy Transformed (Refresh)
    - CAT4: New Start / In Development
- Overarching Charter includes warfighting, warfighting support, and business systems
- Information stored in FORCEnet Integrated Baseline (FIBL)

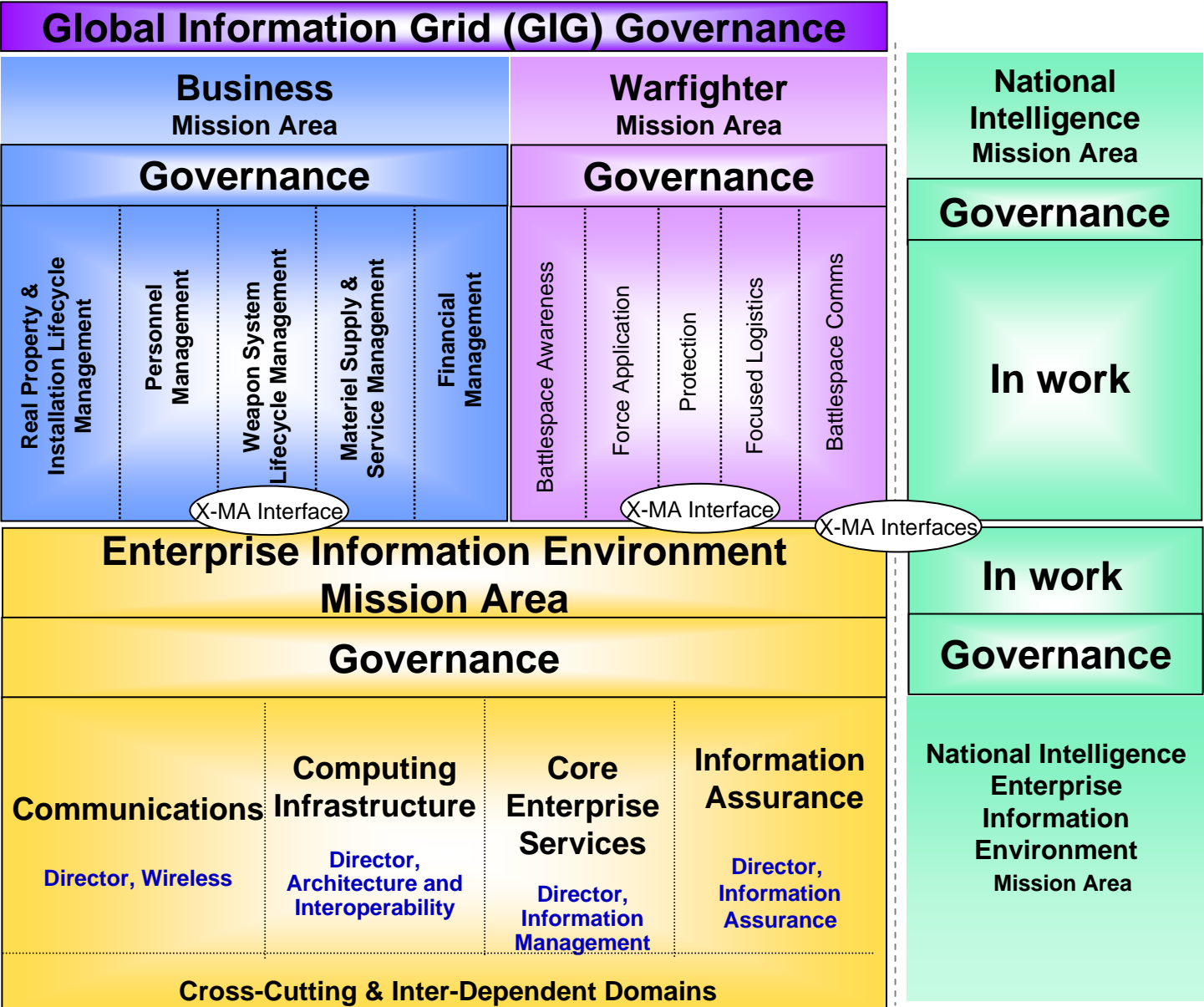


## DoD PfM - Draft DoD Instruction 8115.aa

- In final round of staffing
- Critical issues have been resolved and signature by DepSecDef expected shortly
- Establishes policy and assigns responsibilities for management of DoD IT investments as portfolios
- Focuses on improving DoD capabilities and mission outcomes
- Four Mission Areas
  - Warfighting
  - Business
  - Enterprise Information Environment (Infrastructure) (EIE)
  - National Intelligence Program (NIP)



# DoD Portfolios and Related National Intelligence Portfolios





## DoD PfM - Draft DoD Instruction 8115.aa (cont)

- Current areas of significant activity
  - Business Mission Area
    - Business Management Modernization Program (BMMP)
  - Warfighting Mission Area
    - Draft Warfighting IT PfM Implementation Plan
  - EIE Mission Area
    - Net-Centric Enterprise Services (NCES)



# DoD PfM - BMMP and National Defense Authorization Act (NDAA) certification requirements

## BMMP Mission

“Transform business operations to achieve improved warfighter support while providing auditable financial reporting across the Department of Defense”

## 2005 NDAA

### *(d) CONDITIONS FOR USE OF FUNDS FOR DEFENSE*

*BUSINESS SYSTEM MODERNIZATION. – (1) After September 30, 2005, an officer or employee of the United States may not obligate or expend an amount in excess of \$1,000,000 for a defense business system modernization unless the Secretary of Defense or the official delegated authority for the system covered by such modernization under subsection (e) has determined in writing that such defense business system modernization*

*(A) is consistent with the defense business enterprise architecture and transition plan developed under subsection (a); or*

*(B) is necessary to*

*(i) achieve a critical national security capability or address a critical requirement in an area such as safety or security; or*

*(ii) prevent a significant adverse effect on a project that is needed to achieve an essential capability, taking into consideration the alternative solutions for preventing such adverse effect*

*(2) A violation of paragraph (1) is a violation of section 1341(a)(1)(A) of title 31, United States Code*



## DoD PfM - BMMP and National Defense Authorization Act (NDAA) certification requirements (cont)

### ➤ NDAA of 2005 – Certification Governance

- Established DepSecDef chaired Defense Business Systems Management Committee (DBSMC) governance structure for Business Mission Area IT
- Investment Review Boards (IRB) provide recommendations to DBSMC
- Component Precertification Authority (likely to be DON CIO) provides official submission of systems to IRB for review
- Program Managers, Echelon II/Major Commands, FAMs, DON CIO Deputies provide input to DON CIO
- Investment Review Board (IRB) CONOPS approved 2 Jun 05



## DoD PfM - BMMP and National Defense Authorization Act (NDAA) certification requirements (cont)

- Systems divided into 4 Tiers
  - **Tier 1:** Systems designated as ACAT 1AM, 1AD and 1AC
  - **Tier 2:** Systems planning to expend \$10M to less than \$32M of Dev/Mod funding over its lifecycle
  - **Tier 3:** Systems planning to expend greater than \$1M to less than \$10M of Dev/Mod funding over its lifecycle
  - **Tier 4:** Systems planning to expend \$1M or less of Dev/Mod funding over its lifecycle
- Tier 1 – 3 systems require IRB/DBSMC review and certification
- Expenditure of FY06 funds without proper certification is an anti-deficiency act violation



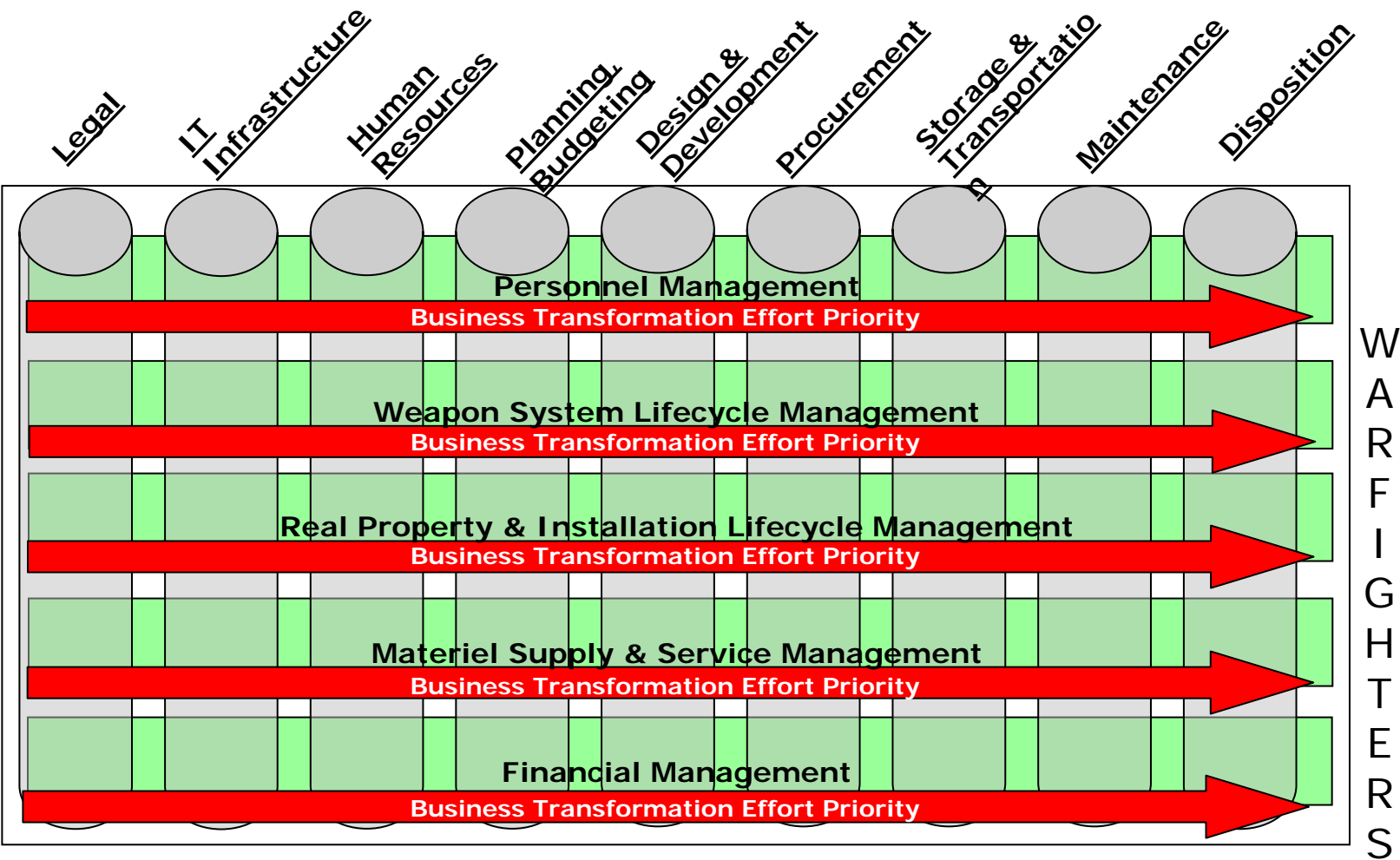
## DoD PfM - BMMP and National Defense Authorization Act (NDAA) certification requirements (cont)

### ➤ NDAA Definition of a Defense Business System

*The term “defense business system” means any information system (except a national security system, as defined in section 2315 of title 10, United States Code) that is operated by, for, or on behalf of the Department of Defense to support business activities such as acquisition, financial management, logistics, strategic planning and budgeting, installations and environment, and human resource management.*



# DoD PfM - BMMP and National Defense Authorization Act (NDAA) certification requirements (cont)





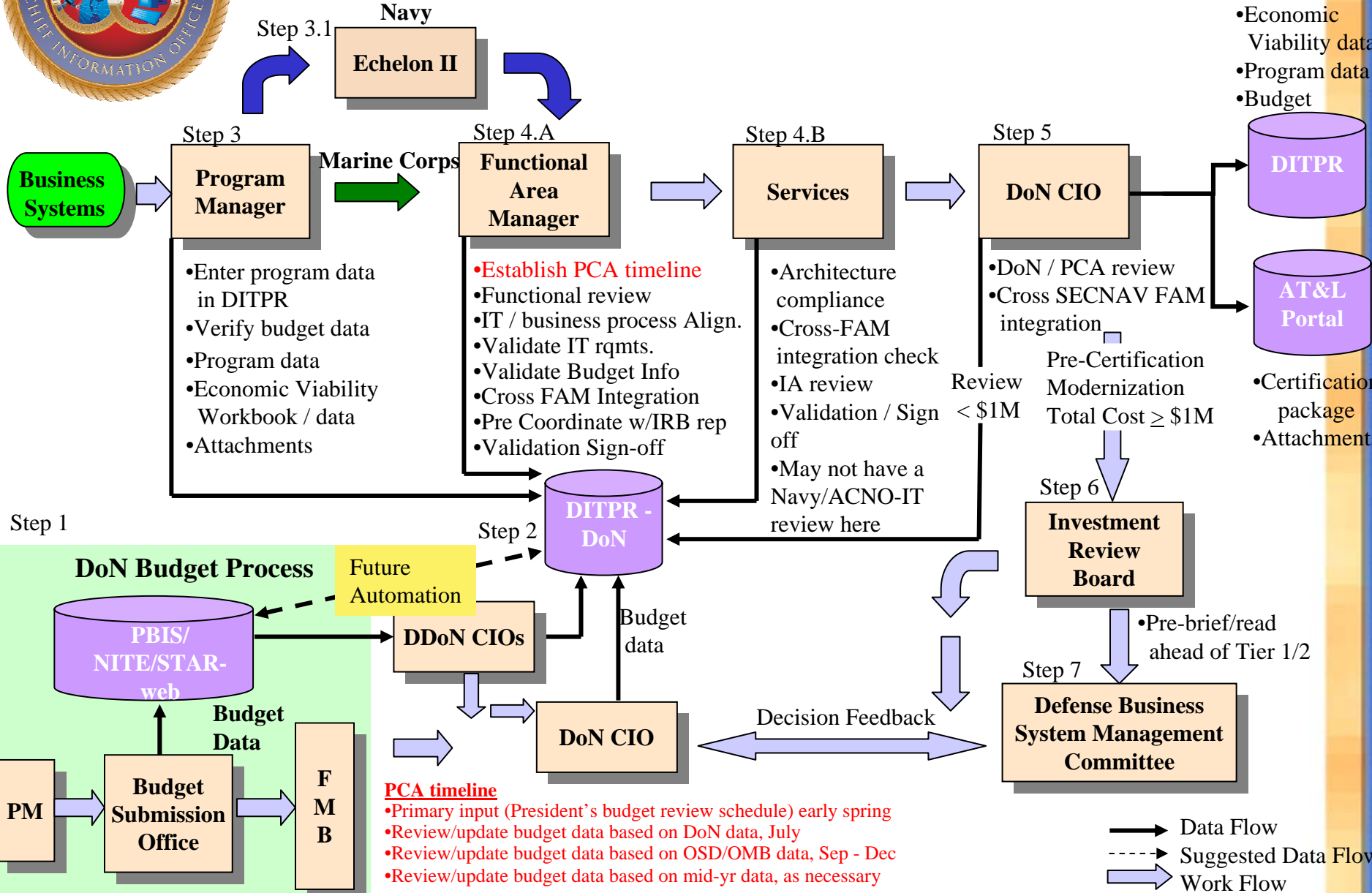
## DoD PfM - BMMP and National Defense Authorization Act (NDAA) certification requirements (cont)

- Investment Review Board (IRB) CONOPS approved 2 Jun 05
- DBSMC/IRB process to certify
  - Investments' conformance to Business Enterprise Architecture (BEA)
  - DoD/Component transformation vision & plans
  - Will also review groups, "families", "bundles" of systems and initiatives from across DoD Enterprise to discern capability gaps, overlaps, redundancy and recommend corrective action
- BEA requirements still under development
  - Current guidance identifies requirement for submission of AV-1, TV-1, and OV-5
- NDAA information to be stored in DoD IT Portfolio Repository (DITPR) and AT&L Portal



# DRAFT DoN BMMP

## Pre-Certification Workflow





## DoD PfM - DoD IT Registry

- Registry of Mission Critical (MC), Mission Essential (ME), and Mission Support IT/NSS systems
- Mission Support systems to be incorporated into system between June 2005 and December 2006
- All IT systems which are not Mission Critical or Mission Essential are by definition Mission Support
- DoD IT Registry to merge into DITPR by October 31, 2005
- IT systems including NSS



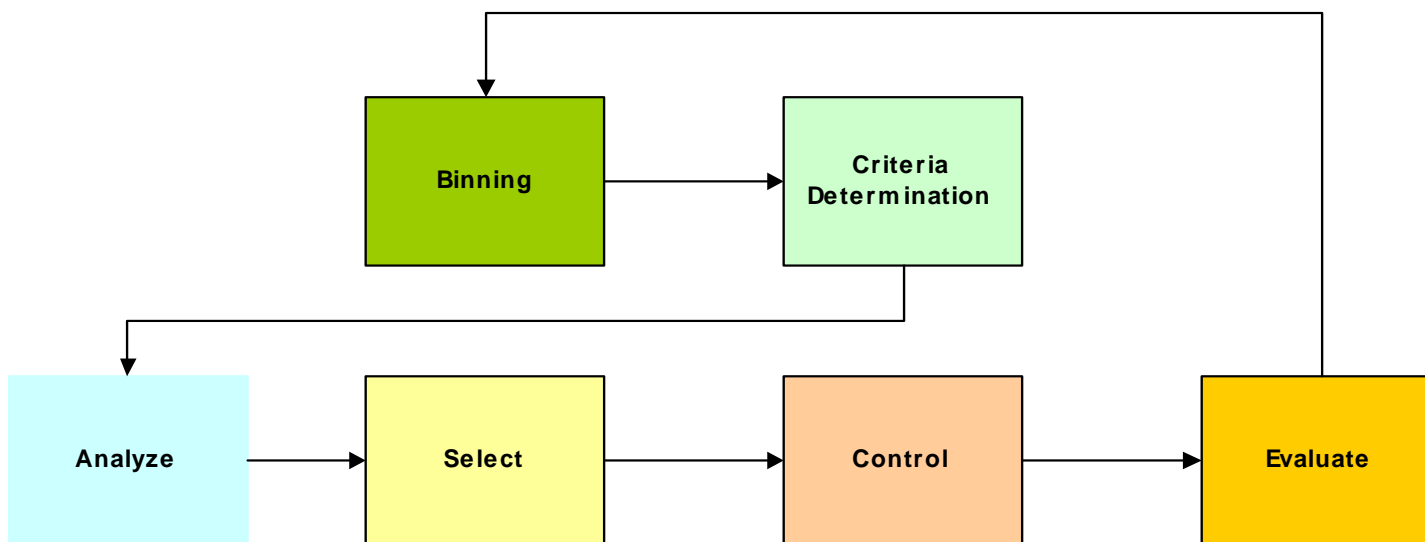
# DoD PfM – Draft Warfighting Mission Area IT Portfolio Management Implementation Plan

- Management of warfighting IT systems as portfolios
- Objectives
  - Improve overall military mission effectiveness through improved IT investments
  - Establish IT investment repository providing a single location for information and reducing the need for data calls related to IT investments
  - Reduce portfolio risk through investment diversity
  - Reduce capability duplication and improve efficiency and cost effectiveness
- Warfighting Mission Area Domains
  - Battlespace Communications Systems, VJ6
  - Battlespace Awareness, VJ2
  - Focused Logistics, J8/DDFA
  - Force Protection, J8/DDFP
- May impact Fn processes for managing warfighting IT portfolios
- Will define process for reporting warfighting portfolio information up to OSD



# DoD PfM – Draft Warfighting Mission Area IT Portfolio Management Implementation Plan

## ➤ High Level Warfighting Portfolio Management Process





# Summary

## ➤ Issue

- There are currently systems being simultaneously reviewed by FAMs, Fn VS C4I, BMMP/NDAA Certification processes
  - Example NTCSS
- Each one of these processes has the potential to make a different disposition decision about a particular system
- Resolution ???

## ➤ Good News

- FAM process is in alignment with and supports reporting to OSD for BMMP and NDAA Certification